

FILED

NOV 26 2013

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

EUGENE R. WEDOFF,
BANKRUPTCY JUDGE

In re:

CANOPY FINANCIAL, INC.

Debtor.

Case No. 09 B 44943

Chapter 7

**FINDINGS OF FACT AND CONCLUSIONS OF LAW IN SUPPORT OF ORDER AWARDING TO
JENNER & BLOCK, SPECIAL COUNSEL TO THE TRUSTEE, FOR ALLOWANCE AND PAYMENT OF
INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**

TOTAL FEES REQUESTED:	\$21,314.00	TOTAL COSTS REQUESTED:	\$1,105.15
TOTAL FEES REDUCED:	\$1,672.27	TOTAL COSTS REDUCED:	\$0.00
TOTAL FEES ALLOWED:	\$19,641.73	TOTAL COSTS ALLOWED:	\$1,015.15

TOTAL FEES AND COSTS ALLOWED: \$20,656.88

The attached time and expense entries have been underlined to reflect disallowance in whole or in part. The basis for each disallowance is reflected by numerical notations that appear on the left of each underlined entry. The numerical notations correspond to the enumerated paragraphs below.

(2) Unreasonable Time

The Court denies the allowance in part of compensation for the following task since the professional or paraprofessional expended an unreasonable amount of time on this task in light of the nature of the task, the experience and knowledge of the professional performing the task, and the amount of time previously expended by the professional or another on the task. *In re Pettibone*, 74 B.R. 293, 306 (Bankr. N.D. Ill. 1987) ("The Court will determine what is the reasonable amount of time an attorney should have to spend on a given project... An attorney should not be rewarded for inefficiency. Similarly, attorneys will not be fully compensated for spending an unreasonable number of hours on activities of little benefit to the estate."); *In re Wildman*, 72 B.R. 700, 713 (Bankr. N.D. Ill. 1987) (same).

As to the time devoted to the preparation of the fee application itself, the Court denies the allowance of compensation that is disproportionate to the total hours in the main case. *In re Wildman*, 72 B.R. 700, 711 (Bankr. N.D. Ill. 1987) ("In the absence of unusual circumstances, the hours allowed by this Court for preparing and litigating the attorney fee application should not exceed three percent of the total hours in the main case."); *In re Spanjer Bros., Inc.*, 203 B.R. 85, 93 (Bankr. N.D. Ill. 1996) (compensation limited to 5%). See also *In re Pettibone Corp.*, 74 B.R. 293, 304 (Bankr. N.D. Ill. 1987) (citing *Coulter v. State of Tennessee*, 805 F.2d 146, 151 (6th Cir. 1986) (in non-bankruptcy cases, compensation for preparation and litigation of fee petitions limited to 3-5% of the hours of the main case)).

Dated: November 26, 2013


Eugene R. Wedoff
United States Bankruptcy Judge

FEE APPLICATIONS

MATTER NUMBER- 10113

11/9/2012	VEL	0.50	Edited BIM for fee application.	425.00
11/12/2012	VEL	1.00	Edited 7th interim fee application, including redactions, and email to G. Paloian re same.	850.00
11/12/2012	MHM	3.40	Worked on preparing sixth interim fee application.	1,003.00
11/28/2012	MHM	0.20	Reviewed and revised notice for e-filing.	59.00
11/28/2012	MHM	0.20	Reviewed and revised notice of motion and application for e-filing.	59.00
11/28/2012	MHM	0.40	Worked on e-filing fee application, cover sheet and notice of hearing.	118.00
11/28/2012	MHM	1.20	Worked on service of fee application and notice to core service list.	354.00
11/28/2012	VEL	0.60	Reviewed and finalized fee application for filing.	510.00
12/21/2012	MHM	0.30	Prepared set of documents for court hearing on fee applications.	88.50
12/26/2012	VEL	1.20	Attended hearing on 7th fee application, and transmitted unredacted invoices.	1,020.00
12/28/2012	MHM	0.10	Corresponded with J. Sowka re draft fee order.	29.50
		9.10	PROFESSIONAL SERVICES	<u>\$4,516.00</u>

MATTER 10113 TOTAL

\$4,516.00

\$4,516 (amt. charged for 7th fee app)

= 7.94% (2)

\$56,874.50 (amt. charged for non-free matters in 7th fee app)

\$56,874.50 x 5% = \$2,843.73 (max amt. allowed)

→ \$4,516 - \$2,843.73 = \$1,672.27 (amt. deducted)